ON-SITE SYSTEMS, INC.

A PUBLICIUTILITY CO. 3 TO

OF FARM OF THE EXECUTIVE STATES

August 28, 2001

Mr. David Waddell Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

RE: Petition to amend Certificate of Convenience and Necessity

Dear Mr. Waddell:

01-00755

On-Site Systems Inc. desires to expand its service area to include an area known as the Starr Crest II Subdivision (approximately 101 acres known as Parcel 81, Tax Map 84 and 95 in Sevier County. The attached Petition is in support of our request.

Sincerely,

Charles Pickney, Jr., President

On-Site Systems, Inc.

7638 River Road Pike Nashville TN 37209-5733 (615) 356-7294 Fax (615) 356-7295

BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

, 2001		
IN RE: PETITION OF ON-SITE SYSTEMS, INC. TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY DOCKET No		
Petition of On-Site Systems, Inc. To amend its Certificate of Convenience and Necessity		

On-Site Systems, Inc. ("On-Site") petitions the Tennessee Regulatory Authority ("TRA") to amend On-Site's Certificate of Convenience and Necessity to expand its service area to include a portion of Sevier County known as the Starr Crest II Subdivision Property as described on tax map 84 and 95, Parcel 81. At present, the City of Pigeon Forge (water supplier for this area) nor the County of Sevier has the desire or ability to provide sewer service to this area. (See attached letters.)

The proposed service area comprised of approximately 101 acres is shown in Exhibit A.

Respectfully submitted,

Charles Pickney Jr., President

On-Site Systems, Inc.

On-Site Systems, Inc. Sewer Service Billing Summary Residential Sewer Rates

System	Monthly Charge
Oakwood Subdivision - Maury County	\$36.67
Southridge Subdivision – Montgomery County	\$19.38 + act cost
Swan Harbor – Roane County	\$35.11
River Road Utility District - Cheatham County	\$31.15
Milcrofton Utility District – Williamson County	\$37.21
Tall Oaks Subdivision – Blounty County	\$35.11
Yoakum Hollow Dev. (Windsor Pt) - Campbell County	\$35.11
Shreibman Development – Cannon County	\$35.11
Cornerstone of Mitchell Creek - Overton County	\$35.11
Bolton Area – Shelby County	\$32.68
Ussery #1- Sevier County	\$35.11
Harbor Pointe – Dekalb County	\$35.11
Hidden Springs Resort - Sevier County	\$35.11
Eagle Crest Development – Sevier County	\$35.11
Legacy Bay – Hawkins County	\$35.11
Dollywood Project - Sevier County	\$35.11
Homestead Suddivision - Sevier County	\$35.11
Rice Property – DeKalb County	\$35.11
Jackson Bend Subdivision - Blount County	\$35.11
City of Coopertown - Robertson County - Lagoon - Sand-Gravel Filter	\$30.98 + 3% Franchise fee \$35.11 + 3% Franchise fee
Eagle Springs – Sevier County	\$35.11
Fees: Nonpayment – 5%, Disconnection - \$10,	

Reconnection - \$15, Return Check - \$20, Access - \$84/yr

On-Site Systems, Inc. Sewer Service Billing Summary

Residential Sewer Rates

PROPOSED

System

Monthly Charge

Starr Crest II - Sevier County

35.11

Fees: Nonpayment – 5%, Disconnection - \$10,

Reconnection - \$15, Return Check - \$20, Access - \$84/yr

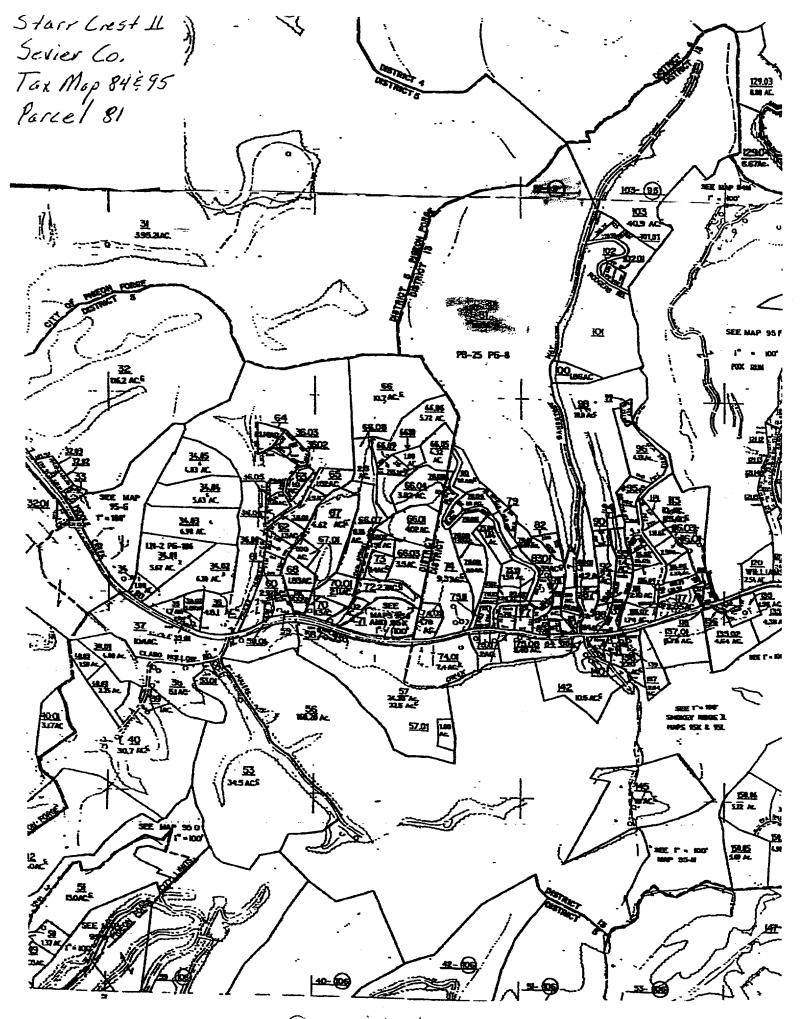


Exhibit A

July 24, 2001

Mr. Michael Hines, Principal Southeast Environmental Engineering, LLC 1920 Breezy Trail Concord, Tennessee 37922

Dear Mr. Hines,



SEVIER COUNTY

LARRY WATERS
County Executive

Room 201E 125 Court Avenue Sevier County Court House Sevierville, Tennessee 37862 Office: (865) 453-6136 Home: (865) 456-4796 FAX: (865) 453-6830

I have reviewed your map of Star Crest II Resorts which is identified as parcel 81, tax map 84 and 95 and the enclosed copy. Sevier County does not have plans to provide sewer services to the area within the next twelve months. If you should need further information, please contact me.

Sincerely,

Larry Waters

Lay Wale

County Executive

LW/sm

Enclosure



July 20, 2001

Mr. Michael Hines, M.S., P.E. Southeast Environmental, LLC 1920 Breezy Ridge Trail Concord, Tennessee 37922

Dear Mr. Hines:

This letter is to advise that the City of Pigeon Forge has no immediate plans to extend city sewer to the proposed one hundred one (101) acre development on Upper Middle Creek Road, known as Starr Crest II Resorts.

As you know, this property is located outside the corporate limits and presently the city does not have sewer lines outside the city.

Thanks for your inquiry.

Sincerely,

CITY OF PIGEON FORGE

Earline Plaster

Earlene M. Teaster City Manager

EMT:sg

xc: Mike Blazer, Director of Environmental Health